

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2021-120-E - ORDER NO. 2021-333  
MAY 12, 2021

IN RE: Dominion Energy South Carolina, Incorporated's Request to Sell Property	) ) )	ORDER APPROVING SALE OF REAL ESTATE AND OTHER PROPERTY
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**I. INTRODUCTION**

This matter comes before the Public Service Commission of South Carolina (“the Commission”) on the Request of Dominion Energy South Carolina, Inc. (“DESC” or “the Company”) to sell two parcels of real property to the City of Columbia (“the City”). The sale would also include buildings, furniture, fixtures, equipment, and personal property located on the parcels.

The first parcel to be sold consists of 2.24 acres, more or less, located at 3000 Harden Street in Columbia, South Carolina and indicated on a map filed with the Commission (“the Harden Street Parcel”). The sale of the Harden Street Parcel includes all improvements to the parcel including the one-story office building containing approximately 5,546 square feet, and all furniture, fixtures, equipment and personal property of DESC on the parcel that is not a component of DESC’s confidential customer data or critical security infrastructure. The Harden Street Parcel has an appraised value in excess of \$50,000. The Harden Street Parcel was previously used as a customer service center to support the Company’s utility operations in the metro Columbia area. However,

it is no longer in use; the operations and employees have been relocated within the Company.

The second parcel to be sold consists of 3.144 acres, more or less, located at 1213 Flora Street in Columbia, South Carolina and indicated on a map filed with the Commission (“the Flora Street Parcel”). The sale of the Flora Street Parcel includes all improvements to the parcel including the one-story office building containing approximately 7,355 square feet and all furniture, fixtures, equipment and personal property of DESC on the parcel that is not a component of DESC’s confidential customer data or critical security infrastructure. The Flora Street Parcel has an appraised value in excess of \$1 million. The Flora Street Parcel was previously used as a data center and a customer service center to support the Company’s utility operations in the metro Columbia area. However, it is no longer in use; the operations and employees have been relocated within the Company.

DESC intends to enter into an agreement with the City, whereby the City will purchase both properties for \$2.93 million, which equals the combined appraised value of the two properties. The Harden Street Parcel and the Flora Street Parcel, along with the personal property items included therein, are classified on the books and records of DESC as common utility property and, as such, are included within the Company’s rate base for electric and gas operations as appropriate. In accordance with the FERC Uniform System of Accounts prescribed for public utilities, as adopted by the Commission, any sales proceeds attributable to the structures, furniture, fixtures, equipment and other personal property will be credited as salvage to the accumulated provision for depreciation of the property. Any gain realized from sale of the land will be recorded in Account 421.1000

entitled “Gain on Disposition of Property”, while any loss realized from sale of the land will be recorded in Account 421.2000 entitled “Loss on Disposition of Property.”

**II. DISCUSSION OF LEGAL ISSUES WITH REGARD TO THE TRANSFER OF THE TWO PROPERTIES**

S.C. Code Ann. § 58-27-1300 (2015) prohibits DESC from selling utility property valued in excess of \$1,000,000 without Commission approval. In this case, the Flora Street Parcel is valued in excess of \$1,000,000, and the Company proposes to transfer the property to the City. Accordingly, DESC requests that the Commission issue an order authorizing DESC to transfer the Flora Street Parcel to the City of Columbia.

Further, pursuant to Commission Order No. 92-931, the Commission entered a requirement that if DESC seeks to sell real property with an appraised value in excess of \$50,000, then the Company must engage in the Bid Requirement outlined in detail in Appendix A to the Order, pp. 20-21. This portion of Order No. 92-931 was intended to protect against affiliate preferences and to ensure that DESC disposes of real property in a manner that promotes fair and equitable treatment of the parties to the transaction, potential bidders, and DESC’s customers. Both properties proposed for sale in this case to the City of Columbia have appraised values in excess of \$50,000. DESC requests that the Commission issue an order authorizing the Company to transfer the Harden Street Parcel and the Flora Street Parcel to the City without engaging in the Bid Requirement described in Appendix A to Commission Order No. 92-931.

In the present case, DESC has no future plans or current use for the Harden Street Parcel and the Flora Street Parcel. Moreover, the Company has identified a purchaser for its property who is willing to pay fair market value for these combined properties.

Furthermore, the purchaser of this property is not affiliated in any manner with DESC, its parent, or any of its affiliates. Based on the foregoing, the sale of the DESC property in the manner described herein appears to encompass the fair and equitable considerations prescribed in Order No. 92-931.

The Office of Regulatory Staff (“ORS”) does not object to the transfers and the waiver of the Bid Requirement as proposed by DESC. Both DESC and ORS point out that the request for relief set forth by DESC will not involve a change to any of DESC’s retail rates or prices, or require any change in any Commission rule, regulation or policy. Accordingly, under S.C. Code Ann. § 58-27-870(F) (2015), no notice or hearing in this matter is required.

### **III. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1. DESC proposes to sell two parcels of real property, with buildings, furniture, fixtures, equipment and personal property located on the parcels to the City of Columbia.
2. The two parcels of land are located on Harden Street and Flora Street in Columbia, South Carolina, respectively.
3. Both parcels are appraised at over \$50,000.
4. The Flora Street parcel is appraised at over \$1,000,000.
5. The proposed sale price for both properties to the City of Columbia equals the appraised value of both, which is a total of \$2.93 million.

6. S.C. Code Ann. § 58-27-1300 prohibits DESC from selling utility property valued in excess of \$1,000,000 without Commission approval. This statute applies to the Flora Street Parcel.

7. Commission Order No. 92-931, Appendix A at pp. 20-21, instituted a requirement that if DESC seeks to sell real property with an appraised value in excess of \$50,000, then the Company must engage in a Bid Requirement. This requirement applies to both the Harden Street Parcel and the Flora Street Parcel.

8. DESC has met the requirements of S.C. Code Ann. § 58-27-1300 by requesting Commission approval of the sale of the Flora Street Parcel, which is appraised at over \$1,000,000, since the sale is otherwise in compliance with South Carolina law.

9. With regard to the Bid Requirement in Order No. 92-931, Appendix A, DESC has stated good reasons for waiving that requirement. The Company has identified a purchaser for the properties who is willing to pay fair market value for these combined properties. The purchaser is not affiliated with DESC, its parent, or any of its affiliates. The fair and equitable considerations prescribed in Order No. 92-931 have been met.

10. The Bid Requirement in in Order No. 92-931, Appendix A should be waived.

11. The proposed sale of real properties known as the Harden Street Parcel and the Flora Street Parcel, with buildings, furniture, fixtures, equipment and personal property located on those parcels should be approved.

12. No notice or hearing in this matter is required, pursuant to 58-27-870(F).

**IV. ORDERING CLAUSES**

1. The sale and transfer of the Harden Street Parcel and the Flora Street Parcel, with all buildings, furniture, fixtures, equipment, and personal property located on those parcels from DESC to the City of Columbia for the combined price of \$2.93 million is approved.

2. The requirements of S.C. Code Ann. § 58-27-1300 with regard to the Flora Street Parcel have been met.

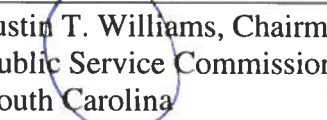
3. The Bid Requirements contained in Commission Order 92-931, Appendix A, which are applicable to both the Harden Street Parcel and the Flora Street Parcel, are waived, in that the considerations of fairness and equity contained in the Order Appendix have been met.

4. In accordance with the FERC Uniform System of Accounts prescribed for public utilities, as adopted by the Commission, any sales proceeds attributable to the structures, furniture, fixtures, equipment and other personal property will be credited as salvage to the accumulated provision for depreciation of the property. Any gain realized from sale of the land will be recorded in Account 421.1000 entitled “Gain on Disposition of Property”, while any loss realized from sale of the land will be recorded in Account 421.2000 entitled “Loss on Disposition of Property.”

5. DESC shall notify the Commission and ORS when the sale is completed.

This Order shall remain in full force and effect until further Order of the Commission.

**BY ORDER OF THE COMMISSION:**



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Justin T. Williams, Chairman  
Public Service Commission of  
South Carolina